

Lee

IN THE UNITED STATES DISTRICT COURT
FOR THE NORTHERN DISTRICT OF GEORGIA
ATLANTA DIVISION

GINA SPEARMAN,

Plaintiff,

v.

Case No. 1:20-cv-04981-CAP

BROKER SOLUTIONS, INC., d/b/a
NEW AMERICAN FUNDING,

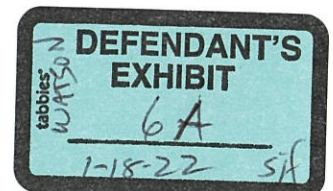
Defendant.

AFFIDAVIT OF LEX A. WATSON, II

STATE OF GEORGIA
COUNTY OF FULTON

PERSONALLY APPEARED BEFORE the undersigned officer duly authorized to administer oaths, LEX A. WATSON, II, who after first being duly sworn, deposes and states under oath the following:

1. I am LEX A. WATSON, II, an individual resident of the State of Georgia.
2. I am over the age of 18 years and I am competent to testify and give this Affidavit based on my personal knowledge that the facts alleged herein are true and correct.



3. I received a Bachelor of Science in Political Science from Campbell University in 1978. I received a Juris Doctorate from Campbell University in 1981, where I was also an Editor of the Law Review. I obtained my Master of Laws in Taxation (LLM) from Emory University in 1983.

4. I am a Partner at Merritt Watson Green, LLP. I joined the firm in 1984 and became a partner in 1988.

5. My practice areas include Taxation, Business Planning, and Estate Planning. I am not a litigator.

6. I am admitted to practice in the States of Georgia and North Carolina.

7. I am a member of the State Bar of Georgia, and the North Carolina State Bar.

8. In approximately September 2019, Gina Spearman and Kelly Allison retained me to review a draft of an amendment to Schedule 1 of their employment agreements that their employer, New American Funding (“NAF”), had prepared.

9. In September 2019, Ms. Spearman provided me with her employment agreement that she entered with NAF when she was hired in November 2016.

10. In September 2019, Kelly Allison sent me the original employment agreement that she entered with NAF when she was hired in November 2016.

11. Ms. Spearman and Ms. Allison also provided me a draft of an amendment to Schedule 1 that was based on a new compensation model NAF had created and gave to Ms. Spearman and Ms. Allison to give to me to review.

12. Ms. Spearman retained me to help her continue her employment relationship with NAF and to evaluate the terms of the proposed amendment to Schedule 1 and how it would change the terms of her compensation as set forth in her original November 2016 employment agreement and attached original Schedule 1.

13. Ms. Spearman and Ms. Allison asked me to review the proposed amendment to Schedule 1, compare it to the Schedule 1 attached to their respective 2016 employment agreements with NAF, evaluate how the amendment would change their compensation and make recommendations.

14. I attended a meeting with Scott Frommert, Chief Financial Officer for NAF, and Jon Reed, Executive Vice President of NAF, in September 2019 at NAF's offices in Atlanta, Georgia. Ms. Spearman, Ms. Allison and Ms. Allison's CPA were also present at the meeting.

15. At the meeting with Messrs. Frommert and Reed, they presented information in a slide show about the new compensation model NAF was proposing in the amendment to Schedule 1.

16. At the meeting, we discussed the amendment to Schedule 1 that NAF proposed and compared the changes to compensation to the written employment agreements that Gina Spearman and Kelly Allison entered into with NAF in November 2016.

17. The new compensation model based bonuses off a P&L model. Ms. Spearman and Ms. Allison expressed concerns regarding transparency of the numbers related to the P&Ls.

18. After the September 2019 meeting with Messrs. Frommert and Reed, I made recommendations to Ms. Spearman and Ms. Allison and several changes to NAF's draft of the proposed amendment to Schedule 1 to send to Messrs. Frommert and Reed at NAF.

19. In October 2019, Ms. Spearman informed me that my edits had been sent to Messrs. Frommert and Reed, but that NAF was delaying implementation of a new compensation model.

20. In February 2020, Ms. Allison resent me her November 21, 2016 employment agreement to compare with the provisions in the new draft of the amendment to Schedule 1 that NAF was proposing.

21. I red-lined the amended Schedule 1 that had a proposed effective date of March 1, 2020 for Kelly Allison.

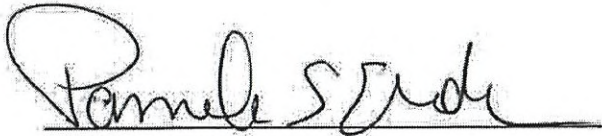
22. I red-lined the amended Schedule 1 that had a proposed effective date of March 1, 2020 for Gina Spearman.

23. On November 5, 2021, I provided a complete copy of my records relating to Ms. Spearman and Ms. Allison to Ms. Spearman.

FURTHER AFFIANT SAYETH NAUGHT.


LEX A. WATSON, II

Sworn to and subscribed before me
this 16th day of November, 2021.



Notary Public

My Commission Expires: 7-11-23

